# Ace Telephone Company of Michigan, Inc. and Ace Telephone Association Request for Special Temporary Authority Amended Attachment 1

## **Amended Response to Question 10:**

#### A. Time period for STA request:

Ace Telephone Company of Michigan, Inc. ("Ace Michigan"), and Ace Telephone Association ("ATA") pursuant to 47 C.F.R. § 63.25, hereby request Special Temporary Authority ("STA") for a period of 6 months for the continued provision of international service to customers pending consideration of a separately filed application for transfer of control (File No ITC-T/C-20150922-00226) of the international Section 214 authorization ("Joint Application") held by Westphalia Broadband, Inc. ("WBI").

#### B: Circumstances leading to the need for an STA:

In several transactions occurring in 2014 and 2015, Great Lakes Comnet, Inc. ("GLC") issued new and additional shares of its common stock to its existing common shareholders. Prior to a stock issuance that occurred on October 6, 2014, no shareholder or entity had a fifty percent or greater ownership interest in GLC, either directly or indirectly. On October 6, 2014, Ace Michigan, as well as other GLC shareholders, purchased shares from GLC, and as a result of Ace Michigan's stock purchase on this date it became the holder of approximately 51% of the common stock of, and thereby acquired a controlling interest in, GLC. Applying 47 CFR 63.03(d)(1) (footnote 1) and 47 CFR 63.09(b) (second sentence), as of October 6, 2014, ATA, as the parent company of Ace Michigan is also deemed to have acquired a controlling interest in GLC as a result of Ace Michigan's stock acquisition. By virtue of Ace Michigan's and ATA's acquisition of a controlling interest in GLC, they also acquired a controlling interest in GLC's wholly-owned subsidiaries, Clinton County Telephone Company ("CCTC"), Westphalia Telephone Company ("WTC"), Westphalia Broadband, Inc. ("WBI"), and Comlink, LLC ("Comlink").

The obtaining of the Commission's prior approval of ATA's and Ace Michigan's acquisition of a controlling interest in GLC was inadvertently overlooked. This situation was discovered prior to any inquiry by the Commission, in connection with the transfer or otherwise. By their Joint Application, Joint Applicants are seeking approval for the transfer of such control.

Since ATA's and Ace Michigan's acquisition of a controlling interest in GLC and its subsidiaries, GLC and its subsidiaries have continued to provide high quality affordable services that are uniquely tailored to the needs of their customers. GLC and its subsidiaries are managed by the same executive management staff as before the transfer of control. Granting this STA will have no adverse effect on the ability of any of the Joint Applicants to continue to serve their customers without interruption or change.

The transaction involved only Ace Michigan's acquisition of a majority of GLC's common stock, and did not result in a reduction or impairment of service to any customers of Ace Michigan, ATA, WTC, WBI, or Comlink. However, the Joint Applicants did not seek the FCC's consent prior to the transfer of control, and are requesting this STA and approval of their

underlying Joint Application as part of a plan to correct any deficiency that may have resulted from this oversight.

#### C. STA is in the public interest.

Granting the STA is in the public interest because it allows the continued provision of uninterrupted service to their customers and the avoidance of a discontinuance of service to customers while the Commission considers the underlying application.

D. Steps being taken to ensure future compliance with Commission rules and regulation.

Ace Michigan, ATA, GLC, Comlink, CCTC, WTC and WBI at all times intended to comply with the FCC's transfer of control rules. The delay in filing for FCC approval of the transfer of control described above was the result of a purchase of stock which created a change in controlling interest the need to obtain prior FCC approval was inadvertently overlooked. The FCC's authorizations at issue here are important to the Joint Applicants' operations, and the stock purchase which gave rise to the transfer of control is not typical for the Joint Applicants. Ace Michigan, ATA, GLC, Comlink, CCTC, WBI and WTC are fully apprised of the need to obtain prior FCC approval for transfers of control and assignments. In the future, the ATA and Ace Michigan, as well as GLC, Comlink, CCTC, WBI and WTC, will carefully review with legal counsel whether any regulatory approvals, including § 214, is required for any transaction.

### E. Acknowledgment:

The Joint Applicants acknowledge that the grant of this STA will not prejudice any action the Commission may take on the underlying application. The Joint Applicants further acknowledge that this STA can be modified or revoked by the Commission upon its own motion without a hearing.

**Response to Question 12:** Not Applicable.

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